

## **FISCAL NOTE**

### **HB 3124 - SB 3547**

February 4, 2008

**SUMMARY OF BILL:** Transfers jurisdiction and regulation of amusement ride devices from the Department of Commerce and Insurance to the Department of Labor and Workforce Development, Elevator Safety Board. Renames such board The Elevator and Amusement Device Board and expands the board to seven members (the former board consisted of five). Owners of amusement devices will be required to obtain an annual permit and regulated devices will be subject to inspection. Removes the authority of County Clerks to charge \$25 for an amusement device permit.

#### **ESTIMATED FISCAL IMPACT:**

**Increase State Revenue – \$42,100/FY08-09**  
**\$44,200/FY09-10 and Thereafter**  
**Increase State Expenditures – \$20,000/One-Time**  
**\$22,100/FY08-09**  
**\$44,200/FY09-10 and Thereafter**

**Local Revenue – Net Decrease - \$8,800**  
**Local Expenditures - Net Impact - Not Significant**

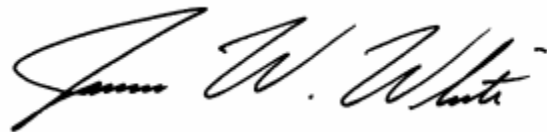
#### Assumptions:

- An increase in state revenue from the collection of inspection and permit fees.
- Inspection and permit fees will be established amounts necessary to cover expenditures.
- A recurring increase in state expenditures of approximately \$44,200 for the salary (\$30,144), benefits (\$10,249), travel costs (\$3,000), office supply costs (\$300), and annual contribution to the Equipment Replacement Fund (\$500) associated with one additional inspector with the Department of Labor and Workforce Development.
- A one-time increase in state expenditures of \$20,000 associated with one-time expenditures for the new position (\$7,400 office landscaping, computer, telephone, network costs) and training and certification costs for existing inspectors (\$12,600).
- Board members serve without compensation.

- Any reimbursement to the two additional board members for actual expenses is estimated to be not significant.
- County Clerks will no longer collect the \$25 amusement attraction permit fee authorized by current law.
- Davidson County issued 5 such permits in 2007.
- Sevier County issued 28 such permits in 2007.
- An estimated 350 permits issued by County Clerks statewide based on the per capita rates for Davidson and Sevier Counties combined.
- A decrease in local government revenue due to no longer collecting local permit fees. The decrease in local revenue is estimated to be \$8,750 (\$25 x 350).
- An increase in local government revenue due to the collection of fines for misdemeanor penalties associated with the bill. Such increase is estimated to be not significant.
- A decrease in local government expenditures due to no longer issuing permits at the local level. Such increase is estimated to be not significant.
- An increase in local government expenditures due to the additional misdemeanor penalties associated with the bill. Such increase is estimated to be not significant.
- The effective date of the bill is January 1, 2009. Therefore, the recurring expenditures for FY 08-09 reflect the impact for six months of FY 08-09.

### **CERTIFICATION:**

This is to duly certify that the information contained herein is true and correct to the best of my knowledge.

A handwritten signature in black ink, appearing to read "James W. White". The signature is fluid and cursive, with the first name "James" written in a smaller, more compact script than the last name "White".

James W. White, Executive Director

/cce